

ABERDEEN CITY COUNCIL

COMMITTEE	City Growth & Resources
DATE	21 st September 2022
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Place Based Investment Programme
REPORT NUMBER	COM/22/205
DIRECTOR	Gale Beattie
CHIEF OFFICER	Richard Sweetnam
REPORT AUTHOR	Stuart Bews
TERMS OF REFERENCE	1.1.7

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update Committee on the applications received and to seek instruction from Committee on the allocation of the remaining £126,013 from the Place Based Investment Programme (PBIP) Fund; and
- 1.2 To seek approval to enter into a grant agreement with Torry Development Trust and Grampian Housing Association enabling spend of up to £1,408,965 of Scottish Government Regeneration Capital Grant Funding (RCGF) secured by Aberdeen City Council on behalf of Torry Development Trust and Grampian Housing association for the Victoria Road School Community Regeneration Project.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Awards up to £11,000 to the St Mary's Episcopal Church (at present procathedral) for the West end 'Peace Garden' project;
- 2.2 Awards up to £43,000 to Aberdeen City Council: Aberdeen Archives, Gallery and Museums (AAGM) for the Aberdeen Art Gallery auto-opening doors project; and
- 2.3 Instructs the Chief Officer – City Growth to enter into a grant agreement with Torry Development Trust and Grampian Housing Association for up to £1,408,965 specifically for the Victoria Road School Community Regeneration Project with the funding to come from the Regeneration Capital Grant Fund.

3. CURRENT SITUATION

- 3.1 The 2020-21 Programme for the Scottish Government announced the creation of a Place Based Investment Programme Fund with £275million of capital

funding to support community led regeneration, town centre revitalisation, community wealth building and 20 minute neighbourhoods (neighbourhood location where people can access most of their basic needs within a 20-minute walk.) It is a multi-annual capital fund with the Scottish Government distributing £38 million this financial year to local government, of which £847,000 was allocated to Aberdeen City Council to be administered locally.

- 3.2 The main objectives of the Place Based Investment Programme Fund are:
- to link and align place-based initiatives and establish a coherent local framework to implement the Place Principle;
 - to support place policy ambitions such as town centre revitalisation, community led regeneration, 20-minute neighbourhoods and Community Wealth Building;
 - to ensure that all place-based investments are shaped by the needs and aspirations of local communities;
 - to accelerate ambitions for net zero, wellbeing and inclusive economic development, tackling inequality and disadvantage, community involvement and ownership.
- 3.3 The Place Based Investment Programme Fund has been launched following the closure of the Scottish Government Town Centre Fund, however the focus within The Place Based Investment Programme Fund is targeted at the Place Principle. The Place Principle was adopted by Scottish Government and COSLA as a basis for collaborative working to ensure that future local investment is relevant to local communities and for the benefit of local people. Bringing relevant services, enterprise, and communities together to make our towns and neighbourhoods more viable. The Place Based Investment Programme, alongside the developing Place Framework, aim to embed the Place Principle.
- 3.4 Under the five-year Programme Councils will receive an annual share of the fund of the following values: £38m in 2021/22, £33m in 2022/23, £23m in 2023/24, £23m in 2024/25 and £23m in 2025/26. For 2022/23 Aberdeen City Council received an allocation of £847,000.
- 3.5 Officers placed information on the remaining funds on the Aberdeen City Council website including an application form and supporting guidance documents. Two applications were received over the summer and are summarised within the table below. Further detail on each project is also provided within the appendix to this report. All applications have been assessed by officers against the fund criteria. Where a project is proposed to be unsuccessful, or only partially successful in their grant request, the reasons are summarised within the officer review outcome column of table 1.

Table 1.

Applicant	Project	Total Project Cost	Grant Requested	Officer Review Outcome	Grant Proposed to award from PBIP 22/23

St Mary's Episcopal Church (at present procathedral)	West end 'Peace Garden' project	£40,000	£11,000	Recommend for approval – Project has good community support and strong links to LOIP. Links well with PBIP ambition community led regeneration and all objectives.	£11,000
Aberdeen City Council: Aberdeen Archives, Gallery and Museums (AAGM)	Aberdeen Art Gallery auto-opening doors project.	£43,000	£43,000	Recommend for approval – Project strongly supports PBIP objective tackling inequality and disadvantage and PBIP ambition town centre revitalisation.	£43,000
	TOTAL	£83,000	£54,000		£54,000

3.6 The Council has been successful in securing £1,408,965 from the Scottish Government Regeneration Capital Grant Fund (RCGF) for the Victoria Road school community regeneration project. RCGF is delivered in partnership with COSLA and local government, supporting locally developed place based regeneration projects that involves local communities, helping to tackle inequalities and deliver inclusive growth in deprived, disadvantaged and fragile remote communities across Scotland.

3.7 RCGF is available on a competitive basis to all 32 Local Authorities in Scotland. Aberdeen City Council successfully applied on behalf of Torry Development Trust and Grampian Housing Association for the Victoria Road School project.

4. FINANCIAL IMPLICATIONS

4.1 The Council has been allocated £847,000 of Place Based Investment Fund in 2022/23 from the Scottish Government. Further funds will be allocated for 2023/24 in due course by the Scottish Government. Up to £720,987 was previously approved with options to allocate part of the remaining £126,013

being brought forward in this report. This report makes recommendations to allocate a further £54,000. This would leave a balance of £72,013 still available for further applications which officers continue to seek. Officers expect to return to Finance and Resources Committee in December will further proposals to utilise and remaining funds.

- 4.2 The full £847,000 must be committed by 31st March 2023 and this is considered to be a commitment of expenditure which can be evidenced by a fully awarded contract or commencement of works. The eligible costs for which the grant can be used are capital costs incurred by the local authority or third parties which are in line with the main objectives of the fund. These costs must be additional to that which is already or would otherwise be allocated to the 2022/23 budget. The Place Based Investment Programme is therefore not a substitute for existing or committed spend. All projects recommended to receive funds have demonstrated that they can achieve this.
- 4.3 It is essential that the projects comply with the set requirements to avoid issues around eligibility and repayment of grant to Scottish Government if conditions are not complied with.
- 4.4 Any funds which remain uncommitted at 31st March 2023 will be expected to be returned to the Scottish Government. The fund currently remains open for applications and any further applications received will be presented to the next Committee for consideration.

5. LEGAL IMPLICATIONS

- 5.1 Grant Agreements will require to be put in place between Aberdeen City Council and those organisations which are awarded grant funding

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 There are no direct environmental implications arising from the recommendations of this report.

7. RISK

- 7.1 The assessment of risk contained within the table below is considered to be consistent with the Council's Risk Appetite Statemen

Category	Risk	Primary Controls/Control Actions to achieve Target Risk level	Target Risks Level Low (L) Medium (M) High (H)	Does target Risk Level Match Appetite Set?
Strategic Risk	No risks identified	None	L	Yes

Compliance	Non-compliance with grant conditions will require return of grant	External Funding team are familiar with the compliance requirements and will advise and monitor projects as required to ensure compliance	L	Yes
Operational	No risks identified	None	L	Yes
Financial	<p>As per the grant conditions the money must be committed by the end of Financial Year 2022/23</p> <p>Any unspent, or unallocated funds will require to be returned to Scottish Government</p> <p>There is a risk that Aberdeen city council is not awarded any Place Based Investment Programme Funding for 2023/24</p>	<p>Projects recommended to be awarded funding have demonstrated their ability to deliver within the required timescales within the application.</p> <p>Close project monitoring will take place throughout to ensure these timescales will be met.</p> <p>Scottish Government has committed to the Place Based Investment Programme as a multi-year fund. Calculations to determine Council allocations were agreed through COSLA.</p>	L	Yes
Reputational	Risk of reputational damage if funds are not spent in accordance to the grant conditions	Officers will work with projects to ensure proposals and applications meet the conditions of grant	L	Yes
Environment / Climate	No risks identified	None	L	Yes

7. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
	Impact of Report
Aberdeen City Council Policy Statement	All applicants were requested to detail the contribution of their project to Aberdeen City Council policy and strategies.
Aberdeen City Local Outcome Improvement Plan	
Prosperous Economy Stretch Outcomes	All applicants were requested to detail the contribution of their project to the LOIP as part of the application process.
Prosperous People Stretch Outcomes	All applicants were requested to detail the contribution of their project to the LOIP as part of the application process.
Prosperous Place Stretch Outcomes	All applicants were requested to detail the contribution of their project to the LOIP as part of the application process.

9. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	not required
Data Protection Impact Assessment	not required

10. BACKGROUND PAPERS

COM/21/176 External Funding report to City Growth And Resources Committee on 21st June 2022.

11. APPENDICES

Appendix 1 - Place Based Investment Fund – Summary of applications received.

12. REPORT AUTHOR CONTACT DETAILS

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